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S E C R E T SECTION 01 OF 03 BAGHDAD 002936

SIPDIS

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TAGS: PGOV PREL MOPS MARR PTER ENGR EPET IZ

SUBJECT: CG DISCUSSES PESHMERGA-GOI CONFLICT, FORCE

STRUCTURE, POWER GENERATION WITH PM

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Classified By: CDA Patricia Butenis for reasons 1.4 (b) and (d)

11. (S/NF) SUMMARY: In their regular weekly meeting on 4 September 2008, Commanding General MNF-I GEN David Petraeus and Iraqi Prime Minister Nuri al-Maliki (joined by CDA) discussed disposition of Kurdish forces (Peshmerga) near the city of Khanaqin and the Green Line, Iraqi military force structure, and the problem with electricity generation. Maliki stated his absolute opposition to the presence of Peshmerga in Khanaqin or beyond the Green Line that demarcates the limits of the Kurdish Regional Government (KRG). Concerning the recommendation of General Petraeus against the recent cap on Iraqi Army (IA) hires, Maliki listened attentively but did not appear swayed by arguments that additional soldiers would be required to man the logistics and enablers he had authorized. Maliki appreciated the importance of the GOI paying for operations and maintenance contracts to ensure continued generation of electricity. GEN Petraeus also informed the PM that he had recommended troop reductions that would occur over the several next months, if approved. In response to GEN Petraeus's questions, Malīki said he was committed to take care of the SOI. He also said he wanted a SOFA that would ensure security in Iraq and that could pass through the Council of Representatives (COR). CDA Butenis noted that Ambassador Crocker would return September 5 and seek to meet the PM soon thereafter. End Summary.

No Pesh South of the Green Line

- 12. (S/NF) GEN Petraeus asked PM to confirm that an agreement between he KRG and the GOI had been reached regarding the disposition of Peshmerga near Khanaqin. The PM stated his absolute opposition to Peshmerga forces remaining in Khanaqin, Diyala province. GEN Petraeus agreed that the Peshmerga forces needed to withdraw, but cautioned that the rhetoric surrounding the issue was getting out of hand and needed a cooling off period.
- 13. (S/NF) Maliki insisted that the KRG has no authority south of the Green Line. The Peshmerga must withdraw from south of the Green Line. Becoming somewhat animated, Maliki expressed his fear that the Peshmerga/Kurds were seeking to place parts of Diyala under Kurdish control, and would then move onto Mosul in Ninewa province and then to Kirkuk if Maliki did not make a stand.
- 14. (S/NF) Maliki called the Peshmerga dangerous when they went out of the region, noting they had no arrest authority and implying they had been arresting Iraqi citizens south of the Green Line. GEN Petraeus again agreed that the Peshmerga

must withdraw. He noted, however, that the GOI had asked the Peshmerga to help in areas northeast of Mosul and in the Hammrins when the threat from Al Qaeda was significant. He assessed the Peshmerga had remained south of the Green Line even after they were no longer needed to support IA operations, a presence that had been tolerated for some time due to other, more pressing issues for the GOI. GEN Petraeus advised the PM that given all else that was taking place, he could not afford a confrontation with the Kurds at this time. PM Maliki responded that the issue was adherence to and respect for the law.

## Force Structure

- 15. (S/NF) GEN Petraeus raised two force structure issues with the PM: the need to lift the IA personnel ceiling to 300,000 from the PM,s recently imposed cap of 250,000, and the IA's need for logistics and combat enablers to pursue effective counterinsurgency operations and be prepared (eventually) to defend Iraqi territory from external threats.
- 16. (S/NF) Regarding personnel, GEN Petraeus noted that due to the recent GOI order for the incorporation of 10,000 former militia members into the IA, resulting in the exclusion of other recruits who had been prepared to join the force and the stoppage of training replacement soldiers at training centers. He noted that as long as the militia recruits were qualified and properly vetted, he had no objection to bringing them in from the pool of former militia fighters, but he expressed concerns about the qualifications of those being made officers and noncommissioned officers and the impact on the professionalism of the IA. In any event, GEN Petraeus suggested that the staffing ceiling for the IA be

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raised to 300,000 from its current level of 250,000.

- 17. (S/NF) The PM expressed surprise at the news of the incorporation of former militia fighters, recalling that there had been an order under the Coalition Provisional Authority and replying that he was unaware of any such action more recently. GEN Petraeus passed him a letter calling his attention to the militia transition program, but stated that he had not seen the actual GOI order. After some conversation with his National Security Advisor (NSA) Dr. Muwaffaq Rubaie, Maliki indicated he would look into the recruitment matter, but did not express support for an increase in the number of troops. He opined that the IA had sufficient numbers of troops to conduct its operations. Maliki went on to describe that a regular IA division consisted of three brigades, each with three battalions comprised, in turn, of four companies; he assessed that such a unit needed about 1,500 soldiers for logistics and essential services. GEN Petraeus responded that in which case the unit would run out of fuel and ammunition.
- 18. (S/NF) Noting the PM,s reluctance to address the issue, GEN Petraeus noted that the Coalition bailed out the Iraqi Security Forces in Basra and won the fight in Sadr City. He noted that army units and soldiers without food, water, and other support, they were just a bunch of guys with AK-47s who could be wiped out quickly. The PM told GEN Petraeus that he had a vision for a very well trained force of police and soldiers. GEN Petraeus noted that the PM,s vision was a good one, but he added that a counterinsurgency requires a large number of soldiers, and while the Iraqi Security Forces are making the transition from quantity to quality, it will take time. GEN Petraeus suggested that LTG Helmick, Commanding General of the Multi-National Security Transition Command in Iraq (MNSTC-I), could give the PM a brief laying out the force structure the IA required to include the enablers, logistics, and training institutions. Pushing back, the PM insisted he was not focused on numbers of troops, but on a properly equipped and trained force, with, of course, the logistics support needed to perform

operations. GEN Petraeus added that the GOI and its security forces faced a complex and daunting task of protecting everything well while the terrorists need to only succeed against a select number of targets. Iraq's needs to deploy combined arms (integrated joint forces) against its enemies. GEN Petraeus offered a second time to send LTG Helmick to show the necessary elements of a capable force that answers the GOI's needs. The PM acknowledged the offer. In summing up, GEN Petraeus reminded the PM that currently the ISF could not succeed in a fight against organized forces, to include the Peshmerga.

## Power Generation

- 19. (S/NF) GEN Petraeus had opened the meeting by reminding the PM of the urgency for the GOI to sign maintenance contracts for the electricity generators, noting that Monday September 8 was a deadline for the Minister of Electricity to sign contracts. PM seemed a bit surprised at the news, believing that the minister had met with GE and signed contracts with them. GEN Petraeus noted that the minister had not yet signed with GE, but this was a separate issue—the operations and maintenance contracts are with a different company. He then showed the PM a chart of the notable increase in power generation over the last year, due in part to increased security that allowed the repair and operation of plants, but that also revealed a very recent decline in power production, due to the failure to properly maintain and repair the equipment.
- 110. (S/NF) PM noted that the Ministries of Electricity and of Oil continued to feud, presenting separate energy plans. An integrated approach was needed, he observed. GEN Petraeus agreed, emphasizing the need for a single national energy strategy. He also noted that demand was increasing and that while the contracts the GOI was pursuing with GE would address that problem in the long run, he urged immediate action before dissatisfaction with the GOI's failure to close the demand-delivery gap grew. GEN Petraeus also noted that Iraq should look to foreign investors to help in upgrading its refineries as it was doing with GE regarding its electricity generation. Again, he urged action now.

Troop Reductions

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111. (S/NF) GEN Petraeus alerted the PM to his intention to recommend that the U.S. reduce its forces in Iraq. The fall in the level of violence in Iraq, for example from 180 to 25 acts of violence a day over the last six months, indicated that Coalition Force numbers could be reduced. The reductions would be modest and carefully timed with conditions. He stated that other reductions after the provincial elections could also be foreseen and reductions in 12009. He wanted the PM to be aware of his intentions before he advised Washington or it was announced in the media. The PM expressed appreciation for the heads-up but did not otherwise comment.

Sons of Iraq

112. (S/NF) GEN Petraeus also said it was his intention to announce at a press conference soon that the Sons of Iraq (aka Awakening) would soon be on the GOI payroll and the GOI was committed to supporting the SOIs. The PM concurred with this plan, stating that the GOI supports the SOIs, "We will honor them." He added that there were one or two "bad eggs" to be arrested, but most were sound. GEN Petraeus agreed, noting that the Coalition had already arrested some SOI members and was ready to assist against others.

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113. (S/NF) GEN Petraeus told the PM that he had reports indicating the return over the last six months to Baghdad of about 50,000 families, an estimated 250,000 people. He urged the PM to ensure the Ministry of Labor and Social Affairs (MOLSA) continued to support the returnees. The PM indicated GOI efforts would continue to support the returnees, underlining the complexity of dealing with competing ownership claims, lease contracts, etc. GEN Petraeus nodded in understanding. He remarked that notably there were some Shi'a seeking the return of their former Sunni neighbors and vice versa in several different neighborhoods - apparently the residents found the squatters who had supplanted their former neighbors to be of too low a socio-economic class. (NOTE: IOM and MNF-I are working to resolve numbers of returnees, as there may be some mixing of IDP registrants with IDP returnees.)

Status of Forces Agreement (SOFA) Status

114. (S/NF) GEN Petraeus asked the PM about the status of the SOFA that would allow the continued presence of U.S. forces in Iraq after the expiration of UNSCR 1790. The PM replied that the GOI awaited a U.S. reply to its proposals, adding that he had told Secretary Rice that Iraq wants a stable agreement that it can pass in the Council of Representatives (COR). GEN Petraeus responded that the U.S. would look to the PM's leadership to move the agreement through the COR. CDA noted that Ambassador Crocker would return to Iraq on September 5 and seek an appointment with the PM soon thereafter.

Elections by December 22

115. (S/NF) In response to a question from GEN Petraeus, Maliki declared his commitment to hold provincial elections no later than December 22, even if they would have to be held under the existing law rather than a new one.

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